

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Public Services - Treasuries and Accounts Department – Sri G.Satyanarayana Goud, Senior Accountant (Retd.) Headquarters Sub-Treasury, Mahabubnagar – Departmental Proceedings initiated against Sri G.Satyanarayana Goud, Senior Accountant (Retd.) for certain defects noticed during the verification of the pensions at the Headquarters Sub-Treasury, Mahabubnagar - Imposition of a punishment of withholding of 10% of his pension for a period of two years under Rule 9 of A.P. Revised Pension Rules, 1980 – Orders – Issued.

FINANCE (ADMN.I.VIG.) DEPARTMENT

G.O.Rt.No. 576

Dated: 15-02-2010.

Read the following:

1. DTA's Lr.No.KII (7)/3377/2003, dated: 25.4.2004 and 15-7-2004
2. Charge Memo.No.A1/666/2003, dated nil-06-2004.
3. Defence statement of Sri G.Satyanarayana Goud, Senior Accountant dt.23-06-2004.
4. Inquiry Report of Sri M.Kamalakar Rao, ATO vide No. Inquiry Officer/2006, dt. 3-2-2007.
5. Govt. Memo.No.13205/211/Admn.I.Vig/A2/2004, dt. 23-01-2008.
6. DTA Lr.No. KII (7)/3377/2003, dt.19-05-2008 along with explanation of Sri G.Satyanarayana Goud, Senior Accountant (Retd.) dt.5-3-2008.
7. Govt. Memo.No.13205/211/Admn.I.Vig/A2/2004, dt. 01-08-2008.
8. DTA Lr.No.KII (7)/3377/03, dt. 08-12-2008 along with explanation of Sri G.Satyanarayana Goud, Senior Accountant (Retd.), dt.5-9-2008.
9. Govt. Memo.No.13205/211/Admn.I.Vig/A2/2004, dt. 21-8-2009.
10. DTA Lr. No. KII (7)/3377/2003, dt.09-11-2009 along with Proforma particulars.
11. Govt. Lr. No. 13205/211/Admn.I.Vig/A2/2004, dt. 01-12-2009 addressed to Secretary, APPSC, Hyderabad.
12. Secretary, APPSC Lr.No.1475/RT-I/1/2009, dt. 08-1-2010.

ORDER:-

The Director of Treasuries and Accounts, in the reference 1st read above, has reported that during the course of verification of Pensions at Headquarters Sub-Treasury, Mahabubnagar by the Deputy Director, District Treasury, Mahabubnagar certain defects and lapses were noticed. The following are the main lapses.

1. Sri Md. Moinuddin, Attender, Sub-Treasury, Mahabubnagar has created fake PPO No.11-S-001483 in the computers and drawn an amount of Rs.30,504/- during the period from 1/2003 to 6/2003 @ Rs.5,084/- per month. However the entire amount has been remitted by the individual into Government account vide Challan No.84, dt.6-8-2003.
2. Sri S.Srinivasulu, Typist, District Treasury, Mahabubnagar has created fake PPO NO.11-S-5282 in the computer of headquarters of Sub-Treasury, Mahabubnagar and drawn an amount of Rs.18,370/- during the period from 4/2003 to 6/2003 @ Rs.6182/-, Rs.6094/-, and Rs.6094/- respectively. However, the entire amount has been remitted by the individual into Government account vide Challan NO.56, dt.5-8-2003.
3. Sri Md.Moulana, Retired Attender of Government Polytechnic, Mahabubnagar, who is drawing original pension from Andhra Bank, Mahabubnagar vide PPO NO. LF/MBNR/SI-1002597 has been allowed to draw pension of Rs.1752/- by creating fake PPO No.LF/MBNR/RGB/S001147 through State Bank of Hyderabad main branch, Mahabubnagar during the month of 5/2003. However, the same has been remitted into Government account by Sri Md.Moulana vide Challan No.60, dt. 6-10-2003.

4. Smt. Mahamuda Bee, W/o Sri Md.Moinuddin, Attender, Headquarters Sub-Treasury, Mahabubnagar has been allowed to draw the pension of Rs.2,15,137/- from 10/94 to 6/2004 through Andhra Bank, Mahabubnagar against the name of Late Smt. Jahangeer Bee holder of PPO NO.11-F-000014, who expired on 25-10-2004.

2. The Director of Treasuries and Accounts has further reported that the following treasury employees who worked at Headquarters Sub-Treasury, Mahabubnagar were allegedly responsible for the lapses during their tenure.
 1. Sri Syed Mozzam Hussain, ATO
 2. Sri P.Prabhudas, ATO (Retd.)
 3. Sri P.Anjaneyulu, STO (Retd.)
 4. Sri K.Brahmanandam, STO
 5. Sri C.Basavalingam, Senior Accountant
 6. Sri G.Satyanarayana Goud, Senior Accountant
 7. Sri S.Srinivasulu, Typist
 8. Sri Mohd. Moinuddin, Attender
 9. Sri S.Hari Prasad, Shroff
 10. Sri Sajid Ali, Shroff

3. Government have initiated Departmental Proceedings against Sri P.Prabhudas, ATO (Retd.) and Sri P.Anjaneyulu, STO (Retd.) under Rule 9 of A.P. Revised Pension Rules, 1980. The Director of Treasuries and Accounts has initiated Departmental proceedings against Sri Mozzam Hussain, ATO and Sri K.Brahmanandam, STO under Rule 20 of A.P.C.S. (CC&A) Rules, 1991. The Deputy Director, District Treasury, Mahabubnagar has initiated Departmental proceedings against Sri G.Satyanarayana Goud, Senior Accountant and others as per his competence in accordance under Rule 20 of A.P.C.S. (CC&A) Rules, 1991.

4. The following article of charge was framed against Sri G.Satyanarayana Goud, Senior Accountant (Retd.):

That Sri G.Satyanarayana Goud, Senior Accountant while working as Senior Accountant, O/o. Head Quarter Sub Treasury, Mahabubnagar during the period from 4/98 to 6-11-2003 has failed to verify the pension lists with reference to the disbursers's portion of PPOs every month as required in S.R. 77 A of TR. 16 of APTC Vol.I and Para 23.12.2 of A.P. T&A Functionary Manual. Thereby resulted in payment of family pension of Rs. 1,73,500/- to the bogus pensioner i.e. Smt. Mahmooda Bee, W/o. Sri Md. Moinuddin, Attender, Head Quarters, Sub Treasury, Mahabubnagar against pension of Late Smt. Jahangeer Bee, holder of PPO No.11-F-000014. Thus he failed to follow the procedure prescribed in A.P. Treasury Code and the instructions issued thereon under G.O.Ms.No.213, Finance (PSC) Dept., dt. 19-12-1997 in making pension disbursements and thereby givens scope for drawls of fake pensioner and was responsible for a loss of Rs.1,73,500/- to the exchequer. Further, he has failed in maintaining absolute integrity in financial matters and thereby violated Article.4 of APFC Vol.I.

Thus Sri G.Satyanarayana Goud, Senior Accountant (U/s) while working as senior Accountant at O/o. Head Quarter, Sub Treasury, Mahabubnagar by the above mentioned acts has exhibited lack of integrity, devotion to duty and shown negligence in discharging his legitimate duties thereby exhibited conduct unbecoming of a Government Servant and thereby contravened Rule.3 of A.P. Civil Services (Conduct) Rules, 1964".

5. The Charged Officer, Sri G.Satyanarayana Goud, Senior Accountant in his written statement of defence at 4th read above has stated that there were nearly 5000 pensioners in the ST (HQ), Mahabubnagar and it was practically not possible to verify the hard copy of list with reference to each PPO within a couple of days after process in every month. While pointing out that a team consisting of 12 to 15 members took five months to verify 4000 PPOs and left verification of the remaining 900 to the ST itself. He has stated that he detected the PPO of Jahangeer Bee and investigated and verified the hard copy of the family pensioners list to the extent of additions and deletions of the months which have added and deleted in respect of Family pension and whereas **the fake PPO number has been fed by Sri Moinuddin with the help of Sri Srinivasulu, Typist in the month 11/99 onwards.** With reference to other aspects he pointed out the DT staff for not detecting the fake PPOs in 100% audit and in not bringing out the needed changes in the software. Finally, **while bringing his effort in getting the fraudulently drawn amounts remitted to the Govt. account, the charged officer has contended that the culprits have agreed that they did the fraudulent transactions and also criminal cases were already booked against them, the charged officer has requested for dropping of the charge against him.**

6. The Deputy Director, District Treasury, Mahabubnagar after careful consideration of the statement of defence of the charged officer, not satisfied with his explanation and felt it appropriate to conduct a regular enquiry into the charge framed against the Charged Officer along with other Charged Officers. Accordingly, the Deputy Director, District Treasury, Mahabubnagar has appointed Sri M.Kamalakar Rao, ATO, District Treasury, Mahabubnagar as Inquiry Officer and Sri M.Subrahmanyam, STO as Presenting Officer for conducting regular inquiry into the charge framed against Sri G.Satyanarayana Goud, Senior Accountant.

7. Sri M.Kamalakar Rao, ATO has conducted regular inquiry and submitted his report vide reference 6th read above. In the inquiry, the charge framed against Sri G.Satyanarayana Goud, Senior Accountant (Retd.) was held proved. Since, the Charged Officer has retired from service on attaining the age of superannuation on 31-01-2006, the DTA has forwarded the case for taking further action as per the provisions under Rule 9 of A.P. Revised Pension Rules, 1980.

8. The Inquiry Officer, in his findings stated that **the charged officer has worked in the Sub-Treasury, Mahabubnagar during the period from 4/98 to 10/2003. The bogus pension in question has commenced from 11/94 and continued till its detection in 6/2003. As such the fraud was going on by the time the charged officer has assumed charge.** It is seen from the Pension Payment Order, the photograph of the deceased Family pensioner is therein. **In spite of that the Pension disbursing Officer i.e. the STO has paid pension to the fake family pensioner i.e. Mahmooda Bee, wife of Mohd. Moinuddin, Attender, Sub-Treasury, Mahabubnagar.** The Sub Treasury, Mahabubnagar could not identify the bogus pensioner at least during the annual mustering. It is seen that no mustering was done during the period of the drawals. The bogus pensioner could have been identified at least at the time converting the pension to the bank in terms of G.O.Ms.No.213, dt. 19-12-1997. **But, the Sub Treasury Officer himself has introduced the bogus pensioner to the Bank.**

From the material available on record it could not be identified whether the charged officer has any role in introducing the said bogus pensioner to the bank during conversion to the bank scheme. However, the charge against the charged officer is that he failed to verify the bank list with reference to the Disburser's half of the pension payment orders every month as required in S.R. 77 A of T.R. 16 of APTC Vol. I and Para 23.12.2 of A.P. T&A Functionary Manual and thereby resulted in payment of Family pension of Rs.1,73,500/- to the bogus pensioner against PPO No. 11-F-000014. **It is clear that the PPO number was there from the beginning of the bank scheme and it was not included anywhere in between. The drawal was there since 1994. Therefore failure to verify the bank list is not reason for the commencement of the bogus drawal and its continuation.**

However, the failure of the charged officer is not following the procedures prescribed in T.R. 16 of A.P. Treasury Code Vol.I has facilitated the bogus pension to continue to draw the pension even during the tenure of the C.O. Though the failure of the C.O to verify the bank list is not sole reason for payment to the bogus pension, his failure to follow the prescribed procedures has resulted in non-detection of the fraud and its continuation in perpetuity. Thus the charge is held proved.

9. Government, after careful examination of the Charge framed against Sri G.Satyanarayana Goud, Senior Accountant (Retd.) and his Written Statement of Defence and the findings of the Enquiry Officer found that the Charge framed against him was held proved substantially and furnished a copy of the Enquiry report to the charged officer vide reference 7th read above.

10. Sri G.Satyanarayana Goud (Retd.) in his explanation at reference 8th read above has stated that the findings of the enquiry officer are not correct on the following grounds and requested to drop further action against him and order to release his pensionary benefit in full as he is not responsible for the said irregularity.

1. **As per the APT&A Functionary Manual Para 23.122, the PPOs should be kept in the personal custody of the Sub Treasury Officer and not under the custody of the case-worker.**
2. **Regarding verification of the pensions with reference to the disbursers's portions and making entries of payments in PPOs, every month as required in S.R.-77A of T.R.16 of A.P.T.C. Vol.I and Para 23.12 of A.P.T & A Functionary Manual is only being done at the time of payment of pensions made through Sub Treasuries directly to the pensioners from the suspense amount.**
3. The above procedure is discontinued and modified consequently on issue of G.O.Ms.No.213, F&P, dt. 19-12-1997 i.e., disbursement of pension through banks by preparing pension list by computer. The detailed procedure is laid down in the G.O. has been followed by him as Accountant.
4. He had taken over the charge of Sr. Accountant only in April, 1998. The procedure for payment of pension was followed as laid down in G.O.Ms.No.213, (F&P), dt. 19-12-1997.
5. **The fraudulent transactions have actually been detected by him and brought to the notice of the Deputy Director, District Treasury Office, Mahabubnagar.** As such he has discharged his duties totally in conformity of the Article 4 of A.P.F.C. Vol.I.

11. Government, after careful examination of the explanation of the Charged Officer with reference to the findings of the Enquiry, found that Sri G.Satyanarayana Goud, Senior Accountant (Retd.) did not followed procedure laid down under **Sub-Rule 64 of TR 16 and 65(a)** of A.P. Treasury Code **wherein the disbursers half has to be verified and the pensioner positively identified.** The procedure of Annual Mustering and obtaining Life Certificate each year was also not followed. His failure to follow the prescribed procedures has resulted in non-detection of the fraud and its continuation in perpetuity. Thus the charge is held proved. Therefore, Government came to a provisional conclusion for imposition of punishment of withholding of 10% of his pension for a period of two years on the Charged Officer, Sri G.Satyanarayana Goud, Senior Accountant (Retd.), under Rule 9 of A.P. Revised Pension rules, 1980. Accordingly, a final show cause notice was issued to the Charged Officer, Sri G.Satyanarayana Goud, Senior Accountant (Retd.) vide reference 9th read above.

12. The Charged Officer, Sri G.Satyanarayana Goud, Senior Accountant (Retd.), in his explanation at reference 12th read above, did not put forth any fresh grounds for consideration. He reiterated his earlier explanation. He has requested to consider for dropping the charge and order to release his pensionary benefits in full as he is not responsible for the said irregularity.

13. Government, after careful examination of the Charge framed against the Charged Officer and his written statement of defence and his explanations with reference to the findings of the Enquiry Officer in detail, observed that the Charged Officer, have worked for a long time in Headquarter Sub-Treasury, Mahabubnagar **from 4/98 to 10/2003. This is clear case of dereliction of duty in regard to the procedures of Pension Payment laid down in the rules and codes. If there was proper mustering and annual verification of pensioner the case would not have taken place.** He failed to verify the bank list with reference to the Disburser's half of the pension payment orders every month as required in S.R. 77 A of T.R. 16 of APTC Vol. I and Para 23.12.2 of A.P. T&A Functionary Manual and thereby resulted in payment of Family pension of Rs.1,73,500/- to the bogus pensioner against PPO No. 11-F-000014. The Charge framed against him is held proved substantially. Therefore, Government came to a provisional conclusion for imposition of a punishment of withholding of 10% of his pension for a period of (2) years under Rule 9 of A.P. Revised Pension Rules, 1980 and referred the matter to the Andhra Pradesh Public Service Commission, Hyderabad for their concurrence vide letter 13th read above.

14. The Andhra Pradesh Public Service Commission, Hyderabad in their letter 14th read above, have concurred with the proposal of the Government for imposition of a punishment of withholding of 10% of pension for a period of two (2) years on the Charged Officer, Sri G.Satyanarayana Goud, Senior Accountant (Retd.).

15. Government, accordingly, hereby order for imposition of a punishment of withholding of 10% of pension for a period of two (2) years on the Charged Officer, Sri G.Satyanarayana Goud, Senior Accountant (Retd.), under Rule 9 of A.P. Revised Pension Rules, 1980.

16. The Director of Treasuries and Accounts, Hyderabad shall take necessary further action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**L.V.SUBRAHMANYAM
PRL.SECRETARY TO GOVERNMENT (FP)**

To

The individual through the Director of Treasuries & Accounts, A.P., Hyderabad.

The Director of Treasuries and Accounts, A.P., Hyderabad.

Copy to:

The Accountant General, A.P., Hyderabad.

The Secretary, Andhra Pradesh Public Service Commission, A.P., Hyderabad

The Deputy Director, District Treasury, Mahabubnagar.

// FORWARDED BY ORDER //

SECTION OFFICER